

(O-96-81 COR.COPY)

ORDINANCE NUMBER O-18253 (NEW SERIES)

ADOPTED ON JANUARY 9, 1996

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE EXECUTION OF A FACILITY LEASE OF A PORTION OF SAN DIEGO JACK MURPHY STADIUM, AUTHORIZING THE ISSUANCE AND SALE OF TAXABLE LEASE REVENUE BONDS BY THE PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO, MAKING CERTAIN FINDINGS CONCERNING THE PROPOSED FINANCING AND APPROVING CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. The City of San Diego (the "City") hereby requests the Public Facilities Financing Authority of the City of San Diego (the "Authority") to authorize and approve the issuance and sale of the Public Facilities Financing Authority of the City of San Diego Taxable Lease Revenue Bonds, Series 1996A (San Diego Jack Murphy Stadium), (the "Bonds") in an amount not to exceed (a) sixty million dollars (\$60,000,000), to provide funds to finance the seating expansion and other improvements to the San Diego Jack Murphy Stadium (the "Stadium") and the design and construction of a football practice facility (the "Project"), (b) an amount not to exceed ten million dollars (\$10,000,000), to provide funds for any debt service reserve, insurance, and the cost of issuance for financing the Project, as determined by the City and the Authority in consultation with the City's financial advisors.

Section 2. The Project to be financed by the issuance and sale of the Bonds is the seating expansion and renovation of the Stadium and design and construction of a football practice facility.

Section 3. The anticipated source of revenue for payment of the Bonds hereby authorized is the Base Rental Payments under the stadium facility lease, hereinafter referred to (the "Stadium Facility Lease"), by and between the City and the Authority, payable from the General Fund

of the City.

Section 4. To provide for the issuance and sale of the Bonds, the City hereby authorizes and approves the Authority's execution, delivery and performance of an indenture, tentatively dated as of January 1, 1996, (the "Indenture"), by and between the Authority and the trustee to be named therein (the "Trustee") in substantially the form presented to and considered at this meeting as Exhibit "A". The Bonds may be issued in one series or in two or more series subject in all cases to the discretion of the City Manager with advice for the council of the office of the City Attorney and the City's Financial Advisors, Public Resources Advisory Group. The Bonds may bear fixed or variable interest and, are subject to the prior approval of the City Council, may be supported by a letter of credit or other credit support with a bank or other credit provider or providers.

Section 5. The City hereby authorizes and approves of the Authority's execution and delivery of the assignment agreement, tentatively dated as of January 1, 1996 (the "Assignment Agreement"), by and between the Authority and the Trustee in substantially the form presented to and considered at this meeting as Exhibit "B." In the event the Bonds are issued in two or more series, any supplemental indenture providing for the issuance of any series of Bonds after the first series shall be submitted to the City Council for approval.

Section 6. The form and content of the Ground Lease, tentatively dated as of January 1, 1996 (the "Ground Lease") by and between the City and the Authority pursuant to which the Stadium will be leased to the Authority, a copy of which is on file in the office of the City Clerk as Document No. OO-18253-1, is hereby approved. The City Manager is hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver the Ground Lease in substantially the form presented to and considered at this meeting, and the City Clerk is authorized to attest thereto, with such additions and changes therein as the City Manager shall approve as being in the best interests of the City, and as is approved as to form by the City Attorney, such approval to be conclusively evidenced by the City Manager's execution and delivery of said Ground Lease, which form of the Ground Lease is hereby in all respects approved and incorporated by reference and made a part hereof. In the event the Bonds are issued in two or more series, the issuance of the second and each subsequent series shall be subject to the prior approval of the City Council of any supplement or amendment to the Ground Lease necessary to accommodate the issuance of any such series.

Section 7. The form and content of the Stadium Facility Lease pursuant to which a portion of the Stadium will be leased to the City, a copy of which is on file in the office of the City Clerk as Document No. OO-18253-2, is hereby approved. The City Manager is hereby authorized

and directed, for and in the name of and on behalf of the City, to execute and deliver the Stadium Facility Lease in substantially the form presented to and considered at this meeting, and the City Clerk of the City is authorized to attest thereto, with such additions and changes therein as the City Manager shall approve as being in the best interests of the City, and as is approved as to form by the City Attorney, such approval to be conclusively evidenced by the City Manager's execution and delivery of said Stadium Facility Lease, which form of the Stadium Facility Lease is hereby in all respects approved and incorporated by reference and made a part hereof. In the event that the Bonds are to bear interest at a variable rate, the City Manager is hereby authorized to approve changes and additions to the form of the Stadium Facility Lease so as to accommodate the issuance of Bonds bearing a variable rate of interest. In the event that Bonds are to be issued in two or more series, the issuance of the second and each subsequent series shall be subject to the prior approval of the City Council of any supplement or amendment to the Stadium Facility Lease needed to accommodate the issuance of any such series.

Section 8. The form and content of the Continuing Disclosure Agreement tentatively dated as of January 1, 1996 (the "Disclosure Agreement") by and between the City and the Trustee, pursuant to which the City agrees to make certain disclosures as specified therein, a copy of which is on file in the office of the City Clerk as Document No. OO-18253-3, is hereby approved. The City Manager is hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver the Disclosure Agreement in substantially the form presented to and considered at this meeting, and the City Clerk is authorized to attest thereto, with such additions and changes therein as the City Manager shall approve as being in the best interests of the City, and as are approved as to form by the City Attorney, such approval to be conclusively evidenced by the City Manager's execution and delivery of said Disclosure Agreement, which the form of Disclosure Agreement is hereby in all respects approved and incorporated by reference and made a part hereof.

Section 9. The Bonds shall bear interest at the rates established by offering the Bonds at public sale pursuant to the Notice of Sale and the Official Bid form, which documents are hereby approved by the City in substantially the forms attached hereto as Exhibits C and D, respectively and with such changes as the City Manager deems to be in the best interests of the City and the Authority. The City Manager, on behalf of the Authority, is hereby authorized to solicit the lowest responsible bid for the Bonds in accordance with the terms of the Notice of Sale. The City Manager, on behalf of the Authority, is authorized and directed by the Authority in its Resolution No. FA-96-7 to accept the bid of the lowest responsible bidder of the Bonds not later than

5:00 P.M. (California time) on the date of the sale as prescribed in the Notice of Sale.

Section 10. The Preliminary Official Statement relating to the Bonds, a copy of which is before this Council and is on file in the office of the City Clerk as Document No. OO-18253-4, is hereby approved for use in connection with the public offering of the Bonds, with such changes as may be approved by the City Manager, the City Attorney or the City's financial advisors, which form of Preliminary Official Statement is hereby in all respects approved and incorporated by reference and made a part hereof. The City Manager is authorized to certify to the underwriters of the Bonds (the "Underwriters") on behalf of the City that the Preliminary Official Statement is deemed final as of its date within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") (except for the omission of certain final pricing, rating and related information as permitted by the Rule). The City Manager is authorized to execute and deliver a final official statement relating to the Bonds (the "Official Statement") in substantially the form of said Preliminary Official Statement, with such additions and changes as the City Manager shall approve as being in the best interests of the City, such approval to be conclusively evidenced by the execution of said Official Statement. The City Manager is authorized and directed to cause the printing and delivery of the Preliminary Official Statement and the Official Statement. The City's financial advisors are authorized to distribute copies of the Preliminary Official Statement and the Official Statement to prospective purchasers of the Bonds and all actual purchasers of the Bonds from the Underwriters acting in such capacity.

Section 11. The officers of the City, and each of them acting alone, are hereby authorized to apply for and obtain municipal bond insurance for some or all of the Bonds, provided that such officer determines, based upon consultation with the City's financial advisors, that the present value cost of the insurance is less than the present value of the estimated interest component savings with respect to the Bonds to be insured. The City Manager is hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver a contract for municipal bond insurance if such contract is deemed to be in the best interests of the City, and is approved as to form by the City Attorney of the City, such approval to be conclusively evidenced by such officer's execution and delivery of said contract.

Section 12. The City Manager, any Deputy City Manager of the City, the City Attorney, any Deputy City Attorney, the City Auditor and Comptroller, the Assistant City Auditor and Comptroller, the City Clerk and any Assistant City Clerk of the City, and each of them acting alone or together, are hereby authorized and directed, for and on behalf of the City to take such actions, and to execute such documents and

certificates as may be necessary to effectuate the purposes of this Ordinance.

Section 13. The City Clerk shall cause notice of the public hearing to be held on December 11, 1995, at 9:00 a.m. at the regular meeting place of the City Council of the City, on the approval of the proposed Stadium Facility Lease and the issuance of the Bonds, to be published at least ten (10) days in advance of such public hearing in the San Diego Daily Transcript, a daily newspaper of general circulation, published and circulated in the City of San Diego, as required by Section 99 of the City Charter.

Section 14. The City Clerk is hereby directed to cause publication of notice of the adoption of this Ordinance for five (5) consecutive days in the San Diego Daily Transcript, a daily newspaper of general circulation published and circulated in the City County of San Diego, as required by California Government Code Section 6040.1 within fifteen (15) days from the passage hereof pursuant to California Government Code Section 6547.2.

Section 15. This Ordinance is subject to the provisions of the San Diego Municipal Code and San Diego City Charter. Subject to those provisions, this Ordinance shall take effect and be in force thirty (30) days from and after the date of its adoption and, prior to the expiration of fifteen (15) days from the passage hereof, the City Clerk shall cause this Ordinance to be published at least once in the San Diego Daily Transcript, a daily newspaper of general circulation, published and circulated in the City of San Diego.

Section 16. The City Manager is hereby authorized to make necessary arrangements with an appropriate title insurance company to issue a title insurance binder with respect to land that may become the subject of the Stadium Facility Lease and to execute any agreement required for retention of such title insurance company or companies.

Section 17. Section 11 of the 1995 Chargers Agreement for Partial Use and Occupancy of San Diego Jack Murphy Stadium provides that a portion of the revenue derived from the sale of Chargers tickets by the Chargers shall be deposited with the City to assist in amortizing the bond debt (75 cents in the 1996 football season and \$1.50 in each and every football season thereafter until the Stadium Facility Lease terminates); and that provision is hereby implemented by an admission assessment placed on each ticket which shall be collected by the Chargers and remitted to the City and shall be deposited in the General Fund of the City.

Section 18. All actions heretofore taken by any officers, employees or agents of the City with respect to the issuance, execution, delivery or sale of the Bonds, or in connection with or related to any of the agreements or documents referenced herein, are hereby approved, confirmed and ratified.

Section 19. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: JOHN W. WITT, City Attorney

By

Kelly J. Salt

Deputy City Attorney

KJS:pev:jrl:mb

11/03/95

11/30/95 Cor.Copy

01/08/95 Cor.Copy

Or.Dept:Fin.Mgmt.

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THE PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO TAXABLE
LEASE REVENUE BONDS SERIES 1996A
(SAN DIEGO JACK MURPHY STADIUM)
CERTIFICATE OF THE CLERK OF THE
CITY OF SAN DIEGO

I, Charles G. Abdelnour, Clerk of the City of San Diego (the "City"), do hereby certify that the foregoing is a full, true and correct copy of Ordinance No. _____ duly adopted at a regular meeting of the City Council of the City on the _____ day of _____, 1995, and that said Ordinance has not been amended, modified, repealed, revoked or rescinded since the date of its adoption and the same is now in full force and effect on the date hereof.

Dated:

Charles G.

Abdelnour

Clerk of the City of San

Diego

EXHIBIT A

☐To follow

EXHIBIT B

☐To follow

EXHIBIT C

☐To follow

EXHIBIT D

☐To follow

EXHIBIT E

To follow